



**STATE OF NORTH CAROLINA**  
**OFFICE OF STATE BUDGET AND MANAGEMENT**

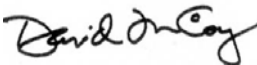
MICHAEL F. EASLEY  
GOVERNOR

DAVID T. MCCOY  
STATE BUDGET DIRECTOR

February 20, 2007

MEMORANDUM

TO: Senator Doug Berger, Chair, Senate Appropriations Subcommittee on Health and Human Services  
Senator William R. Purcell, Chair, Senate Appropriations Subcommittee on Health and Human Services  
Representative Beverly M. Earle, Chair, House of Representatives Appropriations Subcommittee on Health and Human Services  
Representative Bob England, M.D., Chair, House of Representatives Appropriations Subcommittee on Health and Human Services  
Representative Verlo Insko, Chair, House of Representatives Appropriations Subcommittee on Health and Human Services  
Lynn Muchmore, Director, Fiscal Research Division, NC General Assembly

FROM: David McCoy 

SUBJECT: Report on Medicaid Provider Rate Increase Study

Pursuant to Section 10.11 of Session Law 2006-66, the Office of State Budget and Management is submitting to you the attached report from the Division of Medical Assistance, Department of Health and Human Resources. The Office of State Budget and Management has reviewed this report on the recommended allocation of funds appropriated for rate increases to Medicaid providers and accepts its findings. I am submitting this copy as required in the referenced Session Law.

You may direct any questions to this office or the Division of Medical Assistance.

dmc/dl

cc: Senator Harris Blake	Representative Linda Coleman
Senator Charlie S. Dannelly	Representative William D. Brisson
Senator James Forester, M.D.	Representative Wil Neumann
Senator Steve Goss	Representative Charles C. Thomas
Representative Jeff Barnhart	Franklin Freeman
Representative Debbie A. Clary	Mark Benton



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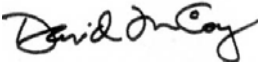
MICHAEL F. EASLEY  
GOVERNOR

DAVID T. MCCOY  
STATE BUDGET DIRECTOR

February 20, 2007

**MEMORANDUM**

**TO:** Senator Marc Basnight, President Pro-Tempore of the Senate  
Representative Joe Hackney, Speaker of the House of Representatives

**FROM:** David McCoy 

**SUBJECT:** Report on Medicaid provider Rate Increase Study

Pursuant to Section 10.3A of Session Law 2006-66, the Office of State Budget and Management is submitting to you the attached report from the Division of Medical Assistance, Department of Health and Human Resources. The Office of State Budget and Management has reviewed this report on the recommended allocation of funds appropriated for rate increases to Medicaid providers and accepts its findings. I am submitting this copy to satisfy the prior consultation requirement in the referenced Session Law.

You may direct any questions to this office or the Division of Medical Assistance.

dmc/dl

cc: Franklin Freeman  
Lynn Muchmore  
Mark Benton